

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-190-E - ORDER NO. 2012-618

AUGUST 22, 2012

IN RE: Application of Carolina Power & Light)	ORDER APPROVING
Company d/b/a Progress Energy Carolinas,)	REVISIONS TO
Incorporated for Approval of Experimental)	SCHEDULE
Tariffs Covering its Initial Slate of Demand-)	
Side Management and Energy Efficiency)	
("DSM and EE") Programs)	

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the request of Progress Energy Carolinas, Inc. ("PEC") for approval of revisions to its Experimental Residential Service – Prepay Pilot Program Schedule. The new Schedule would be designated RPP-20A. The original Schedule RPP-18 was approved by Order No. 2012-301. The pilot program is currently available for up to 1,000 qualifying residential customers in North and South Carolina. In South Carolina, it is only available to certain zip codes in Florence. PEC is now requesting approval to expand access to all South Carolina customers where cellular service is adequate to provide the service. According to PEC, this change requires approval of several revisions to the Schedule to clarify the revised participant requirements. Further, PEC states that these changes do not constitute changes to the original program design, rather they expand the South Carolina participant base during the experimental term of the program.

Following this Commission's approval of the original pilot program, the North Carolina Utilities Commission denied PEC's request to offer this pilot in North Carolina.

Thus, PEC states that it can now allocate all of the Department of Energy funding (allocated by the American Recovery and Reinvestment Act or "ARRA") to South Carolina and can fully fund the program. Therefore, no program costs will be requested for reimbursement through the annual demand-side management/energy efficiency clause proceeding. Complete funding of the pilot with DOE funds will require termination of the pilot on April 30, 2014, rather than December 31, 2014.

The proposed revisions are as follows:

- 1) The present Schedule RPP-20 limits participation to up to 1,000 qualifying residential customers in South and North Carolina combined from designated zip codes. PEC no longer wishes to limit availability to certain zip codes and will not offer the program in North Carolina. The "Availability" paragraph proposed revision is that the reference to "North Carolina" be removed and the words "select Florence-area zip codes" be removed.
- 2) Item #8 in the "Availability" paragraph has been revised to indicate that Schedule RPP-20 will not be offered in areas of South Carolina where customers are not able to maintain continuous cellular connection with the prepaid metering system.
- 3) The last paragraph in the "Availability" section has been revised to reflect that service under this Schedule shall terminate on April 30, 2014, coincidental with the expiration of DOE funding availability.
- 4) The In-Home Display (IHD) being offered at no charge to up to 250 program participants receives data from the PEC prepaid meter via a "ZigBee"

network. According to PEC, initial testing has confirmed that devices communicating through a "ZigBee" network can periodically lose their connection. To minimize the possibility that the lost connection could prevent receipt of critical program notifications, the Schedule has been revised to require participants selecting the IHD option to also select at least one additional notification channel.

The Office of Regulatory Staff ("ORS") supports PEC's request for approval of revisions. ORS notes that the revised Prepay Program is to be funded entirely by the American Recovery and Reinvestment Act, which ameliorates concerns about the impact of the program on ratepayers. ORS discusses the increased program availability. In addition to the fact that there is no cost to the ratepayer for the program, ORS also points out that the pilot will allow the company to gather data to determine the eventual cost effectiveness of the Prepay Program.

We have examined the proposed revisions, and approve them for the reasons outlined by the parties above, as well as the entire proposed revised Schedule, as filed. We especially like the fact that there will be no impact on South Carolina ratepayers, since the program will be entirely funded by the American Recovery and Reinvestment Act. PEC shall file an electronic version of the revised Schedule in the Commission's electronic E-tariff filing system.

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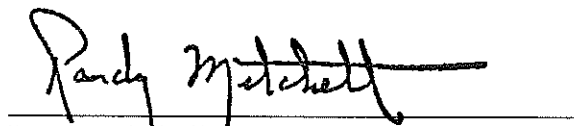
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



David A. Wright, Chairman

ATTEST:



Randy Mitchell, Vice Chairman

(SEAL)